

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512



September 22, 1999

Dear Workshop Participants:

**SUMMARY OF THE AUGUST 19, 1999 INFORMATION WORKSHOP REGARDING
STAFF'S ANALYSIS OF THE METCALF ENERGY CENTER (99-AFC-3)**

Enclosed is the staff's summary of the Information Workshop regarding staff's analysis of the Metcalf Energy Center that was held in south San Jose on August 19, 1999 at the Martin Murphy Middle School. This summary is an informal record of the discussions that took place. It has been distributed to all project staff and to all other participants identified on the participant list attached to the summary. The summary provides the meeting participants with the opportunity to correct information that was misunderstood in the hope of having good communication and an efficient process. If you would like to make any comments or additions to the summary, please send them to me in writing. I will see that they are placed in the project file and that the appropriate staff and other meeting participants receive them. If you have any questions, please call me at (916) 654-4075, or E-mail me at lwhite@energy.state.ca.us.

Sincerely,

Lorraine White
Siting Project Manager

Enclosure

cc: Proof of Service, 99-AFC-3
Docket

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CALIFORNIA ENERGY COMMISSION STAFF

Information Workshop Regarding Staff's Analyses of the Metcalf Energy Center Proposal

Date: August 19, 1999

**Location: Martin Murphy Middle School
San Jose, California**

INTRODUCTION

California Energy Commission (Commission) staff held a workshop in Coyote, California, on August 3, 1999 with the purpose of allowing the applicant and others the opportunity to ask staff clarifying questions about staff's July 23, 1999 data requests. At this meeting, intervenors and members of the public raised questions that were outside the scope of the meeting. It was decided that an additional workshop was required to discuss staff's analysis in certain technical areas and to give the public an opportunity to ask their questions and state their general concerns about the proposed Metcalf Energy Center (MEC). Staff scheduled this workshop for August 19, 1999 to be held at the Martin Murphy Middle School gymnasium.

The agenda for this information workshop and the list of attendees are attached.

STAFF'S PRESENTATIONS

Staff presented information regarding analysis conducted in several technical areas. Presentations were made in the areas of air quality, public health, water resources, land use, visual resources, and socioeconomics.

WELCOME AND INTRODUCTION

Lorraine White, the Commission's project manager for the review of the proposed MEC, provided the welcome and introduction to the meeting. Ms. White describe the agenda for the meeting and identified the staff that would be making presentations.

In addition, Ms. White provided a general overview of the Commission's energy facility siting process. She described: 1) the purpose of the Commission's process as stated in Public Resources Code section 25001; 2) the roles of the various parties in the proceeding; 3) staff as an independent party, separate from the Commissioners; and 4) the requirement that staff provides an independent analysis of the proposal so that the Commissioners can make an informed decision. Ms. White described the many events that take place during the twelve-month proceeding and ways in which the public can participate.

Ms. White explained the three major components of staff's analysis of a power plant proposal. In analyzing a proposal, staff:

- 1) Determines if the proposal complies with applicable federal, state and local laws, ordinances, regulations and standards.
- 2) Conducts an environmental assessment to evaluate potential impacts of the proposal, identifies appropriate mitigation of these impacts, recommends conditions that should be imposed on a project if it is approved, and evaluates alternatives.
- 3) Facilitates participation by other agencies and the public to identify and resolve issues with a proposal.

In conclusion, Ms. White provided an overview of the schedule for key events in the proceeding for the MEC proposal.

AIR QUALITY/PUBLIC HEALTH

Magdy Badr, analyst for the Commission, described the purpose of the staff's air quality analysis. Specifically, staff determines if the criteria air pollutants emitted by the proposed project (i.e., nitrogen oxides (NOx), sulfur oxides (SOx), carbon monoxide (CO), volatile organic compounds (VOCs) and particulate matter (PM10)) will cause an adverse significant impact on public health due to the construction or operation of the proposed project.

According to Mr. Badr, the air quality analysis consists of the following steps:

- A study of the existing air quality conditions in the area where the project is proposed to be located.
- A review of the applicable air quality regulations in close coordination with the local air district, the California Air Resources Board (ARB) and the U.S. Environmental Protection Agency (EPA). The air district prepares a Determination of Compliance (DOC) analysis of the project to assure that it conforms with District regulations.
- Quantification of the emissions from the project in lbs./hr., lbs./day and tons per year.
- Estimation of the impacts of the proposed project's emissions levels on ambient air quality conditions.
- Estimation of the cumulative impacts of the proposed project in association with other large new emissions sources in the area.
- Analysis of the proposed project's emission control technologies.
- Analysis of the proposed mitigation measures to assure that all significant project emissions impacts are fully mitigated.
- Review of the air district's DOC on the proposed project.
- Preparation of conditions of certification for the project, including those contained in the DOC, to insure that the construction and operation of the project is as proposed in the AFC and conforms with all applicable regulations.

At the conclusion of Mr. Badr's presentation, Mike Ringer described the purpose of the Commission's analysis of the potential public health impacts of the proposed

project. Mr. Ringer stated that staff determines if emissions of toxic contaminants from a proposed power plant have the potential to cause significant adverse public health impacts or to violate standards for public health protection.

According to Mr. Ringer, staff's risk assessment method:

- Identifies hazardous substances that the project could emit to the environment and their emission rates (from cooling towers, combustion, etc.).
- Estimates ambient concentrations of project emissions using dispersion modeling (how the substance travels in the environment).
- Estimates exposure levels to affected populations through applicable exposure routes such as inhalation, ingestion, and dermal contact.
- Characterizes potential health risks by comparing worst-case exposure to safe standards based on known health effects.

Staff then uses this information to develop a "worse case" analysis which will:

- Assume highest expected level of pollutants emitted from the plant.
- Assume weather conditions that result in the highest concentration of pollutants.
- Use the air quality model that results in the highest impacts.
- Calculate health risks to a person at the location of highest pollutant concentrations.
- Use health-based standards designed to protect the most sensitive members of the population (i.e., the young, elderly, and those with respiratory illnesses).
- Assume a person's exposure to cancer-causing agents occurs for 70 years.

Mr. Ringer then discussed the categories of health impacts that are considered in the public health analysis. These include:

- acute (non-cancer): short-term (1-hour) exposure to relatively high concentrations of pollutants (e.g., irritation of the eyes, skin, and respiratory tract)
- chronic (non-cancer): long-term exposure to lower concentrations of pollutants (e.g., emphysema or heart disease)
- cancer risk: 70 years exposure

Mr. Ringer stated that to determine if there are any impacts to public health, information about the project is compared to adopted, acceptable exposure levels.

- Noncancer health hazards: maximum project toxic levels less than "reference exposure levels" (amounts of toxic substances to which the most sensitive people, such as infants, the aged, and those suffering from illness or disease can be exposed and suffer no adverse health effects); and
- Cancer risk: project-related maximum lifetime cancer risk of less than one chance in one million (1×10^{-6}).

PUBLIC QUESTIONS ABOUT AIR QUALITY AND PUBLIC HEALTH

At the conclusion of Mr. Ringer's presentation, participants were asked if they had any questions. Questions were asked of both Mr. Ringer and Mr. Badr. These questions included:

Will you look at the impact of 20,000 employees commuting to the proposed Cisco plant in the air quality analysis?

Will the additional cars coming to the area because of the plant affect the sensors, just as cars on the road now affect the sensors?

Will you look at the big picture? Will the plant be built in just two years?

Will new development be considered as stationary sources? Where can we get the information you use? Where are the sensors?

How much of the emissions blow into the Santa Teresa area?

Where are the monitors you use for this area?

What happens on the days when there is no wind?

When and where can the public see the sensors and how they work?

Are the Air District and the CEC working together?

How many days has the area exceeded federal guidelines?

What do the sensors measure?

Does Calpine emit criteria pollutants?

Are we now in compliance on all air pollutants?

Are there other plants like this in existence or is all this theoretical?

Do you know how good your model is? Does it really give a reasonable picture?

Will you be analyzing cumulative impacts for the plant?

I understand that NO_x and VOC's are precursors for ozone. Will you be revising the AQ standards?

How can Calpine decline to provide data as being proprietary, when the answers are key to the analysis?

Is Calpine buying pollution credits?

Will my air be dirtier?

WATER RESOURCES

Joe O'Hagan who will be conducting the water resources analysis for the Commission on the MEC case was not able to attend the workshop. As a result, Mike Ringer made the presentation on his behalf for the Commission's water resources analysis.

Mr. Ringer explained that staff evaluates the potential water-related effects of proposed power plants. In particular, staff will determine water supply-related effects on surface and groundwater, and other water sources. Staff will also determine effects on surface and groundwater from both point and non-point discharges. Drainage and flooding are primarily addressed in staff geology analysis.

The facts that staff relies on to assess the potential for water-related effects of the project include the source of water, the waste streams and discharges and the legal requirements the project will have to satisfy. The legal requirements that apply to power plant proposals are primarily the Clean Water Act, California Water Code and National Pollutant Discharge Elimination System Permits.

Mr. Ringer explained that staff consults with several agencies in conducting their analysis. Typically these agencies are the State Water Resources Control Board, Regional Water Quality Control Board, sanitation districts and city and county water offices. Staff's evaluation:

- Assesses current conditions,
- Verifies data from the applicant regarding anticipated water consumption, discharge and pollution levels,
- Compares the expected impacts against legal requirements and assesses the potential for adverse impacts,
- Considers potential cumulative impacts, and
- Recommends mitigation to address impacts.

PUBLIC COMMENTS AND QUESTIONS REGARDING WATER RESOURCES

Please address wellhead protection and look at drought conditions.

Who pays for the discharge line? Who would normally pay for the pipelines?

LAND USE

Eric Knight described the purpose of staff's land use analysis which is to evaluate:

- the project's consistency with local land use plans, ordinances, and regulations; and
- the project's compatibility with existing and planned land uses.

In general, a power plant can be incompatible with existing and planned land uses when it creates unmitigated noise, dust, public health hazard or nuisance, traffic or visual impacts or when it unduly restricts existing or planned future uses.

Mr. Knight also explained staff's legal requirements under Public Resources Code § 25525. Staff must determine the proposal's compliance with applicable laws, ordinances, regulations and standards (LORS). In this case, applicable local land use plans, policies and regulations include the City of San Jose General Plan, zoning ordinance, and North Coyote Valley Master Development Plan. Mr. Knight explained that he consults with local agencies including planning and community development departments such as the City of San Jose Planning Department.

According to Mr. Knight, the current land use issues that he has identified for the MEC include:

- the project at the proposed site is inconsistent with current General Plan and zoning designations (Campus Industrial; Agricultural);
- site partially in Santa Clara County and will require annexation into the city;
- inconsistent with General Plan height limitation policies; and
- as proposed, project will not meet several setback requirements established in North Coyote Valley Master Development Plan.

PUBLIC COMMENTS AND QUESTIONS RELATED TO LAND USE

At the conclusion of Mr. Knight's presentation, several questions were asked related to land use issues in the MEC case. These included the following:

Will the Memorandum of Understanding (MOU) with the City of San Jose be made public before it is signed?

Why not minimize the project to the 10 acres in the county as an alternative?

Applicant asked the City for three land use changes. Will the City look at the land use change requests in the normal time?

When will the city make its decision on the land use changes?

Will the MOU make anything confidential?

Can't you just reject the project right now because of the land use non-compliance?

Would the City normally consider the land use changes in August of 2000?

How can you evaluate all the land use issues when you don't have all the info?

Arlene Ichien, legal counsel for Commission staff, briefly described the nature of the MOU. Specifically, the MOU defines the working relationship between the City and Commission. It is purely administrative in nature.

VISUAL RESOURCES

Joe Donaldson, under contract with the Commission to conduct the visual analysis, provided the presentation on the staff's visual analysis for power plant review. Gary

Walker, visual resource analyst for the Commission, was also available to answer questions.

Mr. Donaldson explained that staff's visual resources analysis will identify the project-related impacts from the construction, operation and closure of the proposed power plant on the existing visual character of the site and area. Staff will review Calpine/Bechtel's AFC and response to data requests and then conduct its own analysis.

Mr. Donaldson described the laws, ordinances, regulations and standards (LORS) that staff typically relies upon. Applicable local LORS include the City of San Jose 2020 General Plan, the Master Development Plan and Guidelines for the North Coyote Valley Campus Industrial Area. Staff will also use the City of San Jose's zoning ordinances and Santa Clara County's planning documents. To determine compliance with LORS, staff typically consults with city and county representatives.

Staff visual analysis involves assessing the current visual setting of the proposed project, evaluating the visual impacts of the proposed project on the existing setting, evaluating compliance of the project with applicable LORS, and recommending measures needed to mitigate any significant adverse visual impact and achieve compliance with applicable LORS. Issues identified thus far by staff regarding MEC include visibility of the HRSG stacks and their contrast with the visual character and quality of the surrounding area; changes in visual character of the area from rural to industrial with associated impacts to views of rural scenes and open space; and non-compliance with some applicable LORS.

PUBLIC COMMENTS ABOUT VISUAL RESOURCE ISSUES

How would you approach evaluation of the visual impact of a tall stack? Will you consider both a 140 ft stack and a 300 ft stack in your analysis?

Will you consider that we are already in the flight path for the airport?

What do you intend to do in evaluating the aqueous ammonia being stored at the site? What if it leaks in our area?

Who conducts the aesthetic analysis? Can you explain the scale of impacts?

Will you make sure in your analysis that the plant's visual impacts analysis is consistent with the City and County plans?

Was this the same analysis approach used at Crockett?

SOCIOECONOMICS

Jim Adams briefly described staff's socioeconomic analysis, specifically that it identifies the population and project-related impacts from construction, operation and closure of the proposed power plant on local schools, medical and protective services (fire and police), and public utilities and other public services. It will also evaluate the issue of environmental justice (an evaluation of whether or not minority

populations or low-income are disproportionately affected by the adverse affects of a proposal). Staff also will review Calpine/Bechtel's Application for Certification and responses to data requests and then conduct its own analysis.

Mr. Adams discussed the legal requirements that are considered in the analysis.

The laws, ordinances, regulations and standards (LORS) include:

- Applicable federal, state and local LORS, including the Santa Clara County General Plan, the California Government Code Sections related to levies on development projects for public schools, and the Federal Executive Order related to identifying disproportionately high and/or adverse impacts on minority and/or low-income populations near the project area (environmental justice).
- Typical agencies consulted include California Employment Development Department, U.S. Environmental Protection Agency, Census Bureau, City and County Planning Departments.

The analytical methodology employed by Mr. Adams incorporates:

1. An assessment of current conditions, verification of data from the applicant regarding local area socioeconomic impacts, conducting an independent analysis of potential socioeconomic impacts, and ensuring legal requirements are met.
2. Considers cumulative impacts.
3. Recommends appropriate mitigation if significant adverse impacts are identified.

PUBLIC QUESTIONS REGARDING STAFF'S SOCIOECONOMIC ANALYSIS

Does the plant have an exclusion zone requirement?

Does Calpine have to recompense for loss in property value?

Is there a show-stopper?

Do you want information about people refusing to buy property near the plant?

What is environmental justice?

Can you use political districts for population data?

GENERAL COMMENTS

At the conclusion of the formal presentation, the agenda identified a period for general comments. Staff afforded additional time beyond what was scheduled to ensure that all those who wished to make comments could do so. In addition, comment forms were provided for those who wanted to make their comments in writing. Ms. White stated that comments and questions provided would be considered by staff as they conduct their analysis of the proposed MEC project.

VERBAL COMMENTS

Will the city and county regulations be considered in all areas of analysis?

Will the 5 miles radius impact area be based on the air monitor's location for the air quality analysis or will it be the location of the project?

Is the Commission aware of the Zanker Road proposal, and will it be considered in the alternatives analysis?

If the plant wasn't needed, could the Commission still certify it?

Will the frequency of start-ups be considered in the staff's analysis?

Concerned about the impact of the project on endangered species (impacts on serpentine soils) and the contamination of the environment.

What specific toxic chemicals will the staff consider in this project? Where can this information be found?

How does the Commission publicize meetings and are the notices in the local news paper?

Why aren't any signs for staff's workshops posted outside the buildings in which there held?

Did the ARB or the air district pinpoint hot-spots or high pollution locations within the area around the project?

Are there any penalties or restrictions on operations that will be imposed on the applicant for exceeding the emission limits imposed on them?

Where can people get information about the data collected at the air quality monitoring stations?

Is there a statewide facility siting plan and is this project consistent with that plan?

Who benefits from the plant?

Why does the Santa Teresa area need more pollution?

How does the Commission reach a decision? Does it use a scoring system (if so, how are areas weighted) or if the project fails one area, it is dead?

How will the Commissioners decide to certify this plant?

Is the CEC subject to the Brown Act? Was the staff workshop subject to the Brown Act?

Concerned about cumulative impacts and the analysis of alternatives.

Wants to see a comprehensive energy plan done before the review of this project goes forward.

Does the Commission identify Class I and II impacts under CEQA and is the mitigation also broken out for this?

Concerned about the parallels with Calpine's claims and those made by the Fairchild project regarding environmental impacts. Why can't this project be located somewhere else?

Appendix Part 51 modeling – what modeling will address emissions and the unique geography/topography of the area?

Is ISO 9000 compliance required for this project and its consultants?

Could the Commissioners rank projects before them according to acceptability and limit the number that are approved?

What is the reason for the air quality averaging over an hour?

Is there truth in the proponent's (Calpine/Bechtel) advertising?

Are the city and Councilwoman Charlotte Powers getting the same information as the intervenors?

Will the Commission ensure that the docket log for the Metcalf case is current?

Staff stated that they would consider the comments provided and where appropriate

WRITTEN COMMENTS

Comments submitted in writing were docketed with the Commission in their original form. For convenience, these comments are also provided below.

NAME: KAREN UYEDA

1. Land Use: Please clarify and explain the setback requirements that are not being met.
2. Air Quality: A statement is made that analysis will include the estimation of the impacts of the proposed project's emission levels. Where exactly (relative to proximity to site) will impacts be measured? Do you look at worst case scenario (i.e. evaluate impacts to closest inhabitant to site?)

*This comment applies to all public health evaluations.

3. Public Health: For any modeling that is done to estimate risk assessment, does the CEC do its own independent modeling? Or does it rely on the applicant's modeling analysis?
4. What base conditions are assumed in the modeling analyses? Worst case scenario conditions?

5. Please clarify what is meant by “Characterize potential health risks by comparing worst-case exposure to safe standards based on known health effects” listed in the Public Health Handout.
6. Socioeconomic: What is meant by the term “environmental justice” in the analysis handout?
7. I concur with a comment made by a gentleman at the meeting (regarding comprehensive programmatic state-wide power program). I believe that there needs to be a long-range plan to identify power needs, including general location and a schedule of when these power needs are anticipated. There should be a way to track all proposals being evaluated by CEC so that there is a way to select the best possible site (site w/least impacts that still meets all minimum criteria) to meet the documented and justified power needs. We should not be constructing power plants that are not truly required, even though they may meet minimum criteria. CEC needs to address this.
8. Statements have been made by CEC staff that an evaluation is done of all the evidence placed before it. I am assuming that if there is evidence that is lacking (insufficient data, investigation, analyses) that staff will not close their case until they have received complete and adequate information to make a good recommendation.

NAME: ANITA PATEL

I and my family have lived in the area for over 13 years. The proposed building of the power plant is something we are ENTIRELY AGAINST! Although progress must continue and such a plant may be necessary, we do not want it in our backyard! We worry about the damaging of our lovely neighborhood: noise pollution, water pollution, air pollution, traffic, destruction of natural resources and wildlife. Build it elsewhere- But I'm sure you are all afraid to propose this in a higher income area like Saratoga, Los Gatos, etc – thought the blue collar area wouldn't mind.

NAME: NEIL STRUTHERS

I believe that I will put my faith in the experts and the CEC to decide what is safe and what is not safe.

If the CEC says that the plant meets the parameters set forth by the state and federal governments then I say build it! I am not looking forward to inevitable brown and black outs I believe we will experience without it.

NAME: WILLIAM GARRETT FOR T.H.E. P.U.B.L.I.C.

Comments:

August 3, 1999 meeting did not allow public participation through testimony since this item was not allowed by abridgement of agenda.

August 19, 1999 meeting regulated public comment to end of meeting – considered unlikely after past history. Since public testimony is not considered without intervenor status, it ... and is discarded.

Request under public records act basically refused since hand copy is unavailable, and only internet copy would be provided. Because of "confidential" filings, a full public hearing on process is unavailable. Nondisclosure agreements are not used. Further hearings are useless and are moot since determination (i.e. MOU's) have already been made.

Termination of hearings except intervenors is de facto process.

NAME: GRACIELA BRAUN

I feel that all these meetings only serve one purpose: to make it look that Calpine (and the Commission of energy) really cares about the neighbors that will be affected by this plant. These meetings just wears down everybody, we the people cannot contest Calpine sleek presentations. And, above all, we - the people – do not have the right to vote about this – what a waste of time!!

NAME: MICHAEL BOYD

Is CEC subject to Brown Act?

My concerns are:

Please identify (CEQA) Class I impacts, & Class II impact with mitigation and cumulative regional impacts in association with other projects statewide.

Adequacy of alternative sites studied.

Better assessments of risks due to upset due to the location of nearby train line. Concerned that CEC doesn't have a comprehensive plan for energy development in California which identifies regional impacts environmental & socioeconomic, identified through a program EIR. Further there is no specific criteria for project approval identified in such a plan.

NAME: LORRIE LANDIS

What exactly does the CEC oversee?

Is it more than power plants?

If so, what?

How long has the CEC been around & how many power plants have they approved & in what time frame?

How many have they disapproved of & why?

Are there any other electrical power plants located this CLOSE to such a large population?

How was this meeting publicized? Was there a notice in the newspaper?

Where was it & how big was it? When? I'd like the dates.

How & when you plan to notify the entire community about these meetings?

Why were there no signs whatsoever outside? It was nearly impossible to find this meeting.

NAME: NAVIN SAHNI

I am a resident of this area for 20 years and I believe that we should build this Plant here. I am in full support for this. The companies Calpine & Bechtel are very sophisticated and responsible. And we need more production of electricity. We know that they will use a lot of recycled water that would otherwise destroy the wetlands. I support the plant as recommended to the CEC.

NAME: ISSA AJLOUNY

Is the CEC looking at County and City Regulation (in all areas) as Kisabuli (Commission staff) stated at the Grange Hall meeting a couple of weeks ago.

NAME: LIBBY LUCAS

Please give detailed description of all decision criteria that will assure that all chemicals stored on site – above and below ground – will assuredly stay on site in flood or earthquake disasters.

This is not routine hazardous materials control guidelines – But the more stringent EPA well head protection criteria that limits volume and toxicity (of chemicals) that can be stored on site directly on top of the prime water supply aquifer of the city of San Jose. – this also applies to surface water on site.

NAME: KAREN BECK

Which specific toxics will you be looking into for this specific project?

NAME: MICHAEL STANLEY-JONES

Comments before the California Energy Commission Workshop on CEC Staff Issues Identification Report, August 19, 1999, San Jose, California

Good evening, I am Michael Stanley-Jones. I serve as an at-large representative to the County Council of the Green Party of Santa Clara County and chair our party's Ecology Working Group.

The Green Party of San Clara County has approximately 4,800 members, including many who are residents of San Jose. For the past four months our members have taken an active interest in the Metcalf power plant proposal. At the request of the party membership, the Ecology Working Group undertook a review of the proposal for the purpose of making recommendations to the party local.

Our review activity consisted of:

Discussing potential impacts and concerns with area residents, local agency staff and community representatives,

Reading press accounts and promotional literature distributed by the Calpine/Bechtel,

Attending several public hearings and workshops on the project,

Reading the California Energy Commission's Staff Issues Identification Report, and

Sounding out experts within our local's membership for advice and recommendations.

On August 10, the Green Party of Santa Clara County decided at its regular monthly General Meeting to oppose the Calpine/Bechtel Metcalf Energy Center Power Project.

Our reason for opposing this project are:

First – the Calpine/Bechtel proposals fails the test of sustainable development. As we heard at the July Public Hearing from Calpine's own spokesperson, the project is premised on a near-term 3-fold increase in regional electricity demand. That increase implies *growth*, both in resource consumption of non-renewable fossil fuels and of the population of the South Bay beyond what we believe the people of this region consider sustainable and sane. As Greens, we believe our community needs to learn to consume less energy, especially less non-renewable fossil fuel-derived energy, if we are to live within the carrying capacity of our planet. The Metcalf project fails this test of sustainable development.

Second -- the project presents unacceptable environmental hazards and would result in irreversible harm to ecosystems and species in Santa Clara County and neighboring counties. Of particular concern are the threats to drinking water resources from the reliance, admittedly as a backup system, of the plant on local groundwater.

For its primary supply, the Metcalf Plant would use upwards of 5 million gallons per day of recycled water provided by the South Bay Recycling system. That may sound like good news for advocates of recycled water – the City of San Jose is desperately trying to find a market for 70 mgd of its reclaimed water. However, such a water source can not be counted upon in a region prone to periodic drought, nor in a world suffering from global climate change.

The time will come when local groundwater resources will be required to keep this plant operating. CEC staff have suggested a few of the consequences of that day: draw-down of groundwater resources, the drying up of local wells, land subsidence, and the accelerated movement of existing underground contamination into drinking water supply wells.

Approximately half of Santa Clara County's drinking water comes from groundwater. We must stop gambling with this precious resource.

We are appalled that Calpine\Bechtel has proposed operating this plant in such a way that carbon monoxide (CO) emissions would be 67% to 400% higher than currently permitted under by the Bay Area Air Quality Management District standards (10-24 ppm vs 6 ppm).

The scheme of purchasing so-called pollution credits or offsets for this terrible load of pollution is, in our opinion, fraudulent. It reminds me of the Russian author Gogol's story *Dead Souls*, about a con artist who enters a provincial city and begins buying up the rights to "dead souls." Eventually the town's leaders get caught in the speculative fever and demand for dead souls heats up.

The current pollution trading system allows companies to buy credits which are banked by corporations, often after their factories shut down. Santa Clara Valley has recently lost 15 industrial facilities, according to a report issued this summer by the City of San Jose; there should be a lot of *dead souls* in the bank waiting for a suitable buyer. Let's not let our citizens become the suckers who accept these *dead souls* and the pollution that comes with them.

Third – review of the project is being conducted in isolation from other similar projects being proposed or developed up-and-down the state, without reference to cumulative environmental impacts on our state as a whole. Projects in Pittsburg, California and Sutter, California have recently been approved by the CEC; additional power plant projects are in the works in Monterey County, in Alviso-Milpitas and Newark, in the East Bay. Metcalf is but one of nine power plant proposals now progressing through the Energy Commission process.

The impacts of these projects should be addressed in a comprehensive fashion. Greens call for an end of divide-and-conquer tactics by energy industry proponents. The citizens of this state deserve the chance to review and judge their energy future holistically, not piecemeal.

Fourth -- this natural gas project depends on non-renewable fossil fuels to the neglect of renewable energy sources. These include solar, wind, biomass, geothermal, hydrogen fuel cell, and small hydroelectric power sources. Let the 21st century be known as the century of sustainable, renewable, safe energy: that's where our future lies.

In closing, we would ask a few critical questions:

Is Calpine/Bechtel planning on using ammonia to mitigate NOx emissions harmful to endangered species and native habitat in the area? How large would the volume of ammonia stored on-site be? What kind of risks would this pose to human health and the surrounding environment?

In a worst-case scenario – an industrial accident involving an ammonia gas explosion, for example – how many plants, animals and people would you predict could die?

Does it make sense to locate a plant using toxic gases close to a major rail line? In the event of a train derailment in the vicinity of the plant, what possible consequences might occur? What kind of risk analysis is Calpine/Bechtel planning to perform to investigate these risks?

And finally, what are the cumulative exposure risks from hazardous air pollutants (HAPs) in terms of additional cancers per one million members of the population - - the standard set by the federal Clean Air Act – that we can expect from the plant's operation? Do additional cancer risks from HAPs violate our society's commitment to environmental justice, that is, do they burden children, low-income and minority communities disproportionately over the County's general population?

Thank you.

NAME: R.F. WILLIAMS

Is there a statewide or region wide plan for siting of electric generation facilities?

- a) if yes, why is not Calpine forced to choose one of the selected sites
 - b) if not, for reasons of de-regulation, than it APPEARS the Bay Area Regional Air Quality and Water Quality Board should have such a Siting Plan.
- Has the City of San Jose or The County of Santa Clara developed a Siting Plan for such facilities?

If the answer to these questions is no, then there is a major procedural question:

For the County of Board of Supervisors

For the Regional Water Quality Board

For Regional Air Quality Control District

Can the Commissioners of the CEC direct the staff to prepare a relative ranking of attractiveness for the nine pending power plant applications?

(a relative ranking and approval of only 3/9 or some such would partially correct the major defect in the present Metcalf road application)

The use of 3 hour averaging (cited page 5-6 of July 8, 1999 issues memo) obscures the effect of the twice daily wind direction change. The one hour period, twice a day, of nearly stagnant wind conditions will show that air pollution levels near the site will be heavily impacted during 1 hour periods twice per day.

Please try to assure the web site is more frequently updated. This is a major source of information for the public.

I would like to review the proposed M.O.U. between the CEC and the City of San Jose as soon as possible.

a) I would like to review the draft M.O.U. prior to the signing if at all possible.

b) I believe it violates the Brown Act to sign the M.O.U. without prior public disclosure.

I formally request such public hearing, public disclosure, and a public comment period prior to signing.

I am concerned that the environmental assessment and environmental report and impact assessment will not sufficiently deal with local impacts, and impacts on future population in the immediate area and within a one and 5 mile radius of the plant.

Could you provide assurances in the following areas that the CEC report will deal with the following issues:

- a) The population density in the vicinity of the plant that results from siting the CISCO headquarters adjacent to the plant

- b) The effects on regional (South Bay) ecology during drought years; the sources of alternate water supplies in the event reclaimed water is required for other, higher use purposes, during drought years.

I believe a taller exhaust stack is required than the 145' feet currently planned.

Because of the aerodynamic "wake" effect of Tulare Hill, a stack taller than 145 ft., for example 300 ft or 328 ft (100 meter) is likely to be required.

Twice daily changes in wind direction occur during many seasons of the year.

During the wind direction change "fumigating effect" (high concentration of air pollution at ground level) are likely to occur for periods of one to three hours. There are two inter-related issues that arise from the consideration of mitigating air pollution effects during periods of wind direction change. To address these effects the CEC staff review is requested to address

- a) the use of 328' as well as 145' stacks
- b) the potential non compliance of the 145' stack height with current zoning.
- c) the potential for high concentrations of NOx and CO and CO2 during periods of wind change.
- d) the effect of leaks of trace quantities of Scrubber solutions on people in the emissions.

Can the CEC reject the application now on the basis of non-compliance with existing land use and water use regulations?

It appears to me that the CEC can make a finding of non-compliance now. It appears the applications is proceeding based on assumed amendment of 1) the General Plan 2) annexation, and 3) rezoning. Can the application be rejected now based on land use ordinance exceptions, and resubmitted when and if the zoning and land use regulations are changed?

I am a licensed professional engineer in the State of California, have 30 years experience in power plant environmental effects, and a resident in the area immediately impacted by the plant.

NAME: PETER WU

What is the process to accept/reject the power plant proposal?

NAME: MARIO BLAUM

Why do we have to endure an extra 1200 tons of pollution?

**STAFF INFORMATION WORKSHOP
REGARDING THE APPLICATION FOR CERTIFICATION
FOR THE METCALF ENERGY CENTER
99-AFC-3**

Martin Murphy Middle School, San Jose
August 19, 1999
AGENDA

WELCOME and INTRODUCTION - Lorraine White (5:30 – 5:50 pm)

Energy Commission Process Overview

STAFF PRESENTATIONS (5:50 – 8:50 pm)

Air Quality/Public Health – Magdy Badr and Mike Ringer
Q&A

Water Resources – Mike Ringer for Joe O'Hagan
Q&A

Land Use – Eric Knight
Q&A

Visual Resources – Joe Donaldson and Gary Walker
Q&A

Socioeconomics – Jim Adams
Q&A

BREAK (8:50 – 9 pm)

PUBLIC COMMENT – Greg Newhouse (9 -10pm)

LIST OF ATTENDEES

Staff from the California Energy Commission that were present included: Lorraine White, Greg Newhouse, Arlene Ichien, Kerry Willis, Chris Tooker, Bob Haussler, Mike Ringer, Magdy Badr, Jim Adams, Connie Leni, Eric Knight, Dale Edwards, Gary Walker, and Joe Donaldson. Others in attendance included:

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League of Women Voters
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